

INCREASED USE OF HIV/AIDS AND OTHER PRIMARY HEALTH CARE SERVICES
674-0329

ANNEX 1
AMPLIFIED PROGRAM DESCRIPTION

I. Introduction

This Annex describes the activities to be undertaken and the results to be achieved with the funds obligated under this agreement. Nothing in this Annex 1 shall be construed as amending any of the definitions or terms of the Agreement.

II. Background

A. Current Status of Health and HIV/AIDS in South Africa

(1) The Health Care System in South Africa

Since the establishment of the first democratic government in 1994, the Government of South Africa has embarked on a large-scale transformation process of the health care system with the goal of making essential health care services available to all South Africans. Prior to 1994 the South African health system was built on apartheid ideology and characterized by racial and geographic disparities, fragmentation and duplication and encompassed 14 separate Departments of Health each having its own objectives. The first challenge was to create national, provincial and local government and transform health systems at each of these levels. The delivery of services is the responsibility of the provincial health departments and local government, while the National Department of Health's role is to develop policies and legislation, design national programs and set standards.

After the 1994 election, the government announced its intention to develop a district health system (DHS) as the main vehicle for delivery of primary health care services in the public sector. This is based on the assumptions that: 1) small geographic areas with decentralized management are more likely to ensure that intervention strategies which meet local needs are implemented successfully; 2) local participation and accountability will be greater in a more decentralized system; and 3) health districts will be more amenable to inter-sectoral collaboration. The challenges facing the first democratic South African government in creating universal access to basic health care services are enormous, but the accomplishments made by the government in less than ten years are nothing short of remarkable. The democratic government recognizes the need to invest heavily in the health sector and the budget for health has risen an average of 14 percent per year over the past five years in an effort to transform, reorganize, and restructure a public health system that is responsive to the needs of all South Africans. Among the accomplishments to date are the creation of a single public health care system, an enhanced health policy environment, implementation of newly developed standards and guidelines for primary health care services in place, higher immunization and contraceptive rates, decreased rates of sexually transmitted infections (STIs) and improved treatment of STIs, and increased drug availability in the poorer provinces.

Despite the advances in access to immunization, antenatal care, reproductive health services, and other elements of primary health care services, access to basic health care services remains more an aspiration than reality (even without the added burden of HIV/AIDS) for many South Africans. Historically the inequitable access to basic health services produced dramatic inequalities in the health status of South Africa's population groups, and this legacy from the apartheid era remains a key challenge to the current government. The dramatic rise in HIV infections during the past five years is threatening to undermine many of the advances as well as overwhelm the health care delivery system. For example, AIDS patients occupy up to 40 percent of beds in many public hospitals and AIDS is the leading cause of mortality among pregnant women. In addition, HIV/AIDS is exacerbating the problem of Tuberculosis (TB) in South Africa. In 2002 there were more than 180,000 reported cases of TB and more than half of these were infectious. It is estimated that more than 50 percent of the TB patients are HIV positive.

(2) HIV/AIDS in South Africa

Since the end of apartheid, South Africa has made impressive strides in child health, reproductive health, education, economic development, democratic governance, and political participation. During the same decade, HIV prevalence has grown rapidly, creating a generalized epidemic threatening all these hard won gains. As in most of Africa, HIV is transmitted in South Africa primarily through heterosexual relations although other routes including perinatal transmission, unsafe medical and cultural practices also exist. Sex workers and their customers, people with STIs, incarcerated people, migrant workers, and employees of industries such as mining are among those with the greatest risk for HIV infection.

South Africa's generalized HIV epidemic is diverse, involving interacting sub-national epidemics. Both population density and HIV prevalence vary markedly in different provinces and populations. While the rate of increase in HIV infections has declined since 1998, prevalence continues to climb. HIV infection rates of over 60% have been observed among sex workers and in some border towns and other 'hot spots'. Over 1,700 South Africans become infected every day and morbidity and mortality associated with HIV will rise rapidly over the next three decades.

In 2000, the South African Government (SAG) released the South African National HIV/AIDS and STI Strategic Plan, 2000-2005 (Strategic Plan), which called for an expanded response, including primary prevention, Prevention of Mother-to-Child Transmission of HIV (PMTCT), treatment and care. The Strategic Plan was developed through a participatory process that helped mobilize additional sectors of government and society. Strengthening HIV and AIDS services was called for within the context of National Department of Health (NDOH) efforts to strengthen the public health system as a whole and the SAG's core principles of "access, equity, efficiency, quality and sustainability." The Strategic Plan was followed by the 2003 Operational Plan for Comprehensive HIV and AIDS Care, Management and Treatment for South Africa, April 2004-March 2009 (the Comprehensive Plan), which details a national program to provide a continuum of care, including AIDS treatment using anti-retroviral therapy (ART), provided in district-focused service networks. These two documents mandate a balanced, comprehensive program organized into four key areas of intervention: (1) prevention; (2) treatment, care and support; (3) research, monitoring and surveillance; and (4) legal and human rights. They call for

integration of public and private sector resources, community participation, involvement of People Living with HIV/AIDS (PLWHA), and incorporation of traditional medical practitioners. They also emphasize the synergistic benefits expected from integrating prevention, treatment and care.

Together, these policy documents provide the policy framework within which the USAID health and HIV/AIDS program operates. Every element of the USAID's health and AIDS program in South Africa is implemented in concert with the NDOH and is in alignment with the Strategic Plan and the Comprehensive Plan.

B. USAID Engagement in Health and HIV/AIDS

The USAID/South Africa (USAID) program has been providing financial and technical assistance to the health sector in South Africa since 1996 through the Equity in Integrated Primary Health Care ("EQUITY") Project. During its initial years the activities of the EQUITY Project were concentrated in the Eastern Cape Province with the following objectives: (1) the provision of equitable, comprehensive primary health care services; (2) improved management of resources including planning, drug supply, finance, and information systems; (3) improved human capacity of staff through training in clinical and management skills; and (4) effective attention to emerging epidemics of STIs, TB and AIDS. The portfolio has evolved from a focus on primary health care in a single province to a multi-dimensional health portfolio that is heavily engaged in HIV/AIDS and TB prevention, care and support activities and is providing financial and technical assistance in multiple provinces. The primary health care (PHC) component has expanded coverage from the Eastern Cape Province to encompass more than half the South African population with the inclusion of three additional provinces--NorthWest, Mpumalanga, and KwaZulu-Natal. USAID support for HIV/AIDS activities is new relative to its PHC activities with substantial and sustained HIV/AIDS initiatives beginning only in 2000. Prior to 2000, USAID supported limited activities in HIV/AIDS, focusing primarily on condom social marketing and operations research on reducing sexually transmitted infections among high-risk populations through presumptive periodic treatment. Today USAID's support to PHC and HIV/AIDS assistance is comprehensive and covers all provinces in South Africa.

III. Funding

The illustrative financial plan for this Agreement is set forth in Attachment A to this Annex and is outlined according to the major programmatic areas. USAID and the Grantee may agree, through Implementation Letters, to review the plan and re-allocate funds among activities without formal amendment to the Agreement, if such changes do not cause USAID's contribution to exceed the amount specified in Section 3.1 of the Agreement. In addition, USAID may re-allocate funds among approved activities without the prior approval of the Grantee provided that the Grantee is notified of such changes through an Implementation Letter and such changes do not increase or decrease the amount of funding to any activity by more than twenty percent (20%) during any calendar year.

IV. Results to be Achieved/Results Framework

In order to help achieve the "Increased Use of HIV/AIDS and Other Primary Health Care Services" Strategic Objective, activities financed under this Agreement will be designed to further one or more of the major result areas below. Targets under each of these areas of assistance are developed in conjunction with the NDOH. Given that some activities are national and others more geographically focused, the specific magnitude of expected results will vary according to activity areas. These result areas reflect USAID's core competencies, the contribution of other donors and USG Agencies, and the Republic of South Africa's priorities and needs. Section VI and VII provide details on illustrative or selected indicators and activities to be achieved under each result area.

- Strengthening selected primary health care services;
- Expanding TB control activities;
- Supporting South Africa's HIV/AIDS prevention, treatment and care programs; and,
- Strengthening activities for orphans and vulnerable children.

A. **Strengthening Selected Primary Health Care Services.** Within the health system, personnel shortages, resource constraints such as transport or physical infrastructure, and lack of management capabilities all exert fundamental constraints on the response to HIV and AIDS – and on all other primary health care services provided at each facility. Continued support is needed to improve the delivery and the quality of primary health care services and, in the process, provide support to the PMTCT, STI and TB programs, all within a comprehensive PHC package. USAID's comparative advantage in South Africa lies in assisting the national and provincial Departments of Health in strengthening the systems associated with the delivery of PHC services rather than in the actual delivery of services through either NGO and/or public facilities (e.g., logistics, management information systems, supervision systems). USAID will also assist in improving the quality of PHC services.

B. **Expanding TB Control Activities.** Tuberculosis is a serious public health problem in South Africa and is one of the leading causes of illness and death. In 2001, there were over 180,000 reported cases of tuberculosis of which 104,000 were infectious and therefore capable of spreading the disease. Approximately 50 percent of TB patients in South Africa are infected with HIV. HIV increases the lifetime risk of progressing from TB infection to TB disease from 10 percent to about 50 percent. Data suggests that USAID will need to expand its technical assistance in TB control in order to have more impact in the fight against HIV/AIDS. The expansion will include targeted evaluations to improve case detection as well as compliance with treatment protocols and expanding the availability of Directly Observed Treatment, Short Course (DOTS) treatment.

C. **Supporting South Africa's HIV/AIDS Prevention, Treatment and Care programs.** In the prevention area, USAID assists government efforts to: (1) promote the ABC (Abstinence, Be faithful, and always use a Condom) message through mass and community based communication activities; (2) continue the provision of technical support for condom and PMTCT initiatives; and, (3) address the challenges of stigma and discrimination for those infected and affected by HIV/AIDS. In the area of treatment, USAID assistance will support the government's goal of

providing quality anti-retroviral (ARV) treatment services through accredited public sector facilities to one million people by 2009. USAID partners are providing a wide variety of treatment assistance in support of the implementation of the SAG's Comprehensive Plan, including: 1) provision of trained doctors, nurses, and lay counselors to augment staff at facilities in the direct delivery of ARV treatment services; 2) community based, mobile clinic and facility based VCT services; 3) provision of community based workers including patient advocates, support group mentors, psycho-social counselors, male involvement advocates and other outreach workers (these workers may also be provided by NGOs to assist SAG rollout facilities); 4) technical assistance to improve referral from home-based care programs for ART; 5) technical assistance for support systems such as information systems, logistics systems, pharmaceutical systems, laboratories, and quality assurance; and 6) support for "wellness" programs that track positive clients post testing, treat for opportunistic infections including TB, and provide information and social support prior to eligibility for treatment. With the development of the SAG's plans to introduce ARVs into the public sector, the Mission will revise ARV treatment targets to reflect the increased availability of ARV services and resources. The Mission will monitor the number of HIV infected persons receiving ARV treatment through USAID assisted programs.

D. Strengthening Activities of Orphans and Vulnerable Children. UNAIDS estimates that 660,000 children in South Africa have been orphaned due to AIDS and the government estimates that by 2010 the number of orphans will swell to more than 1.28 million. The impact of such numbers of orphans and other vulnerable children is substantial for the children, their families, and the communities in which they live. NGOs are providing the kind of support needed to care for these children and their families. NGOs are also meeting the needs of adolescents. In collaboration with the South African Department of Social Development, USAID supports a variety of comprehensive, community-based programs to assist children infected and affected by HIV/AIDS including nutritional, psychosocial and emotional support, bereavement, and assistance in accessing government grants.

In addition to the public sector, USAID will collaborate with private sector firms, NGOs, Faith Based Organizations (FBOs), foundations and other non-traditional partners in implementing the health and HIV/AIDS program. USAID supported private treatment facilities will exclusively target uninsured and vulnerable populations. In addition, local organizations are providing training and mentoring to public sector treatment professionals consistent with NDOH guidelines and standards. Further, NGOs and FBOs are playing an important role in achieving the objectives of the South Africa's HIV/AIDS Strategic Plan and Comprehensive Plan. Services, including ABC prevention and stigma reductions projects, ARV treatment, home-based care programs and support to orphans and vulnerable children, are provided by many local NGOs, as well as by various government programs. Strengthening the organizational, technical and human resource capacity of these NGOs and FBOs to deliver care and support services in partnership with the public sector is an important feature of the USAID program and will help the South African Government to achieve its targets. USAID plans to support those organizations that have the capacity to provide HIV treatment at the community level, again in partnership with public sector services and consistent with SAG treatment policies and guidelines.

V. Performance Management

Progress in attaining the Strategic Objective and results areas will be measured through the following illustrative performance indicators.

Selected Indicators for Health and HIV/AIDS Strategic Objective	
Strategic Objective and Results	Indicators
Strengthening selected primary health care services	<ul style="list-style-type: none"> • Number of USAID-assisted programs that include youth and adolescent reproductive health services • Number of children under age five treated according to the Integrated Management of Childhood Illnesses (IMCI) in USAID-assisted districts
Expanding TB Control Activities	<ul style="list-style-type: none"> • TB Cure Rate (in USAID-assisted facilities and districts) increased
Supporting South Africa's HIV/AIDS prevention, treatment and care programs	<ul style="list-style-type: none"> • Estimated number of individuals reached with mass media HIV/AIDS prevention programs (through USAID-assisted programs) increased • Number of individuals who received HIV counseling and testing (through USAID-assisted programs) increased • Number of pregnant mothers provided with PMTCT services, including counseling and testing (through USAID-assisted programs), increased • Number of individuals with advanced HIV infection receiving antiretroviral therapy • Number of individuals provided with HIV-related palliative care (through USAID-assisted programs) increased
Strengthening activities for orphans and vulnerable children	<ul style="list-style-type: none"> • Number of orphans and vulnerable children receiving services (through USAID-assisted programs) increased

VI. Activities

The following is a list of illustrative activities to be undertaken to achieve the Strategic Objective. The list is neither exhaustive nor definitive and USAID and the Grantee may consider new opportunities based on their potential for advancing the Strategic Objective and its related Intermediate Results.

A. Strengthening Selected Primary Health Care Services

In reflecting on the achievements made under the EQUITY project over the last seven years (1997 to 2003), USAID and the NDOH identified specific areas that required continued assistance and support to provide comprehensive health services at all levels and to fully integrate HIV/AIDS services into the routine primary health care services using the District Health System (DHS). The NDOH requested that USAID continue to provide technical assistance and support to strengthen health systems at the primary care level and strengthen the ability of the primary health care system to cope with the HIV/AIDS pandemic. The principal initiatives that provide ongoing assistance in strengthening the primary health care services and systems in the most disadvantaged provinces include: The Integrated Primary Health Care Project, the Quality Assurance Project, the Rational Pharmaceutical Project, and the TB Strengthening Project. In addition, USAID's HIV activities support the government's approach of integrating HIV/AIDS services into public sector service delivery facilities.

In 2004 USAID launched the follow-on to the EQUITY Primary Health Care Project --the Integrated Primary Health Care Project. The major themes in the project are: 1) capacity building; 2) sustainability; and 3) quality of care and integration. It is a four year, \$20 million dollar initiative working primarily at the district level in the five most disadvantaged provinces to: 1) strengthen key elements of the primary health care of the District Health System (e.g., drug logistics, quality of care, management, supervision, information use, monitoring and evaluation); 2) build effective health management capacity and systems at the district health level (e.g., training to develop capable district health teams), municipal level, and national level; 3) integrate key HIV/AIDS prevention activities into the primary health care system (e.g., antenatal care (ANC), VCT, PMTCT, STI treatment, TB detection and treatment, management of opportunistic infections (OIs), and dual protection counselling); 4) support the provision of a comprehensive PMTCT package with broader access to high quality reproductive and other health services including antenatal care, nutrition, Vitamin A, treatment of opportunistic infections, treatment of STIs, TB screening and other measures which strengthen women's health; 5) strengthen the capacity of community networks to manage their health status (e.g., support for pregnant mothers, immunization education, nutrition education, reduction in stigma, care and support within the community for vulnerable groups and training for hospital and clinic committees); and 6) leverage effective public private partnerships at the community level.

At the request of the Department of Health, USAID is providing technical assistance in quality assurance to improve compliance with South African Government norms and standards in PMTCT, voluntary counseling and testing, maternal health, TB and other priority PHC interventions. The project provides training and technical assistance in basic quality assurance techniques for program managers and service providers in five provinces and works with National and Provincial health officials in developing systems to monitor compliance with standards of care at each facility.

USAID is continuing its assistance in the area of drug and commodity management. USAID is working nationally and in all nine provinces to improve availability and use of essential health commodities (pharmaceuticals, vaccines, supplies and equipment) of assured quality for priority primary health care programs -- including HIV/AIDS. The objective is to strengthen

pharmaceutical management systems, including the selection, distribution and use of essential drugs needed to address the South Africa's health challenges including HIV/AIDS, STI, TB, child health and primary health care services.

In addition to these efforts, USAID is supporting, at the request of the NDOH, an innovative primary health care and HIV/AIDS training and educational initiative through the Mindset Health Channel. Mindset Health Channel is a distance learning initiative that uses satellite and computer based technology to broadcast educational materials to health care facilities across South Africa. It provides health care workers with new information and skills within the work environment, which minimizes their time away from work and allows them to provide improved health care to clients.

B. Expanding TB Control Activities

In FY 2004, USAID, in collaboration with the NDOH's National TB Control Program, launched a \$10 million project of approximately four years (2004-2008). It focuses on five (Eastern Cape, KwaZulu Natal, Limpopo, Mpumalanga and North West) of the nine provinces, which have been identified as high priority areas in terms of poor implementation of the Directly Observed Treatment, Short-course (DOTS) treatment strategy. The implementation is in the districts and sub-districts selected in consultation with provincial authorities and will spread out to the entire province by 2008.

The key areas of support for TB are to: (1) strengthen TB training capacity at all levels of the health system; (2) support social mobilization and advocacy in highly affected communities; (3) improve laboratory systems; (4) establish public private partnerships; (5) improve provincial capacity to manage TB programs; (6) support operations research to improve case detection and completion rates; (7) support and improve TB surveillance; and (8) support coordination and collaboration between TB and HIV programs.

USAID, through the Medical Research Council, supported the first national survey of TB drug resistance. The purpose of the survey was to evaluate the effectiveness of TB control in South Africa in light of drug resistance trends. The study quantified the extent of multi-drug resistance (MDR) in new and re-treatment TB patients, compared the burden and trend of drug resistance in nine provinces, and estimated the number of cases in each province in order to allow for rational budget and management planning.

C. Supporting South Africa's HIV/AIDS Prevention, Treatment and Care programs

(1) HIV/AIDS Prevention Measures Strengthened

Activities in this area will concentrate on strengthening local organizational capacity to increase the availability of condoms and VCT and PMTCT services. In the public sector the program will continue to provide highly targeted technical support at the national level to improve the availability of quality condoms as well as STI and PMTCT drugs at all qualified service delivery sites by strengthening the procurement and distribution systems for these commodities. With respect to increasing the availability of VCT and PMTCT services, USAID will assist the NDOH

in its planned phased expansion of these services. USAID is supporting the Government's condom and AIDS awareness and prevention campaign (i.e., "Khomani" which means "caring together") and efforts to promote healthy lifestyles and reduce stigma and discrimination. Since 2000 USAID has provided technical assistance to the NDOH in its effort to improve the quality of condoms used in South Africa and to strengthen the management and distribution of condoms, together with the "Khomani" campaign within the government's Abstinence, Be Faithful and Always Use a Condom (ABC) policy campaign. USAID is also assisting NDOH's efforts in developing, launching, distributing and marketing a branded condom, "choice". USAID provides ongoing technical assistance in quantification, procurement, contract management, production planning, compliance testing, shipping, warehousing, distribution and tracking of male and female condoms. Further, with the endorsement of the Office of the President, USAID supports male involvement activities within many SAG agencies (e.g., the National and Provincial Offices on the Status of Women, Commission on Gender Equality, Human Sciences Research Council, Department of Social Development, National Department of Health, Gauteng Department of Health, Department of Corrections, Johannesburg Arts Council, and the Western Cape Department of Housing). Activities include male involvement workshops, project planning, Men's Forum events, and assistance in the development of the "16 days of activism on no violence against women". USAID is also supporting the popular TSHA-TSHA drama series on the national public TV service broadcaster, SABC. The series reaches nearly two million young people weekly and is creating an environment that promotes healthy lifestyles.

Presently, USAID supports STI coordinator consultant positions in five provinces and assists with provincial workshops and training. USAID is collaborating with the National Health Laboratory Service to provide STI prevention and treatment services in high-risk mining communities. This includes: (1) creatively expanding the number of sites capable of providing quality STI services through the use of mobile clinics; (2) scaling out the presumptive treatment of STIs among high risk groups to other areas in the country with high rates of STI; and (3) developing public private partnerships through, for example, referral relationships with private providers or with companies to implement workplace programs that provide quality STI services. In addition, the Integrated Primary Health Care project includes training of existing staff to increase the capacity of clinics to provide quality services, which also increases the number of clinics able to provide services.

Currently USAID is working with the NDOH on strengthening condom logistics and drug management. A result of this successful collaboration has been the request by the government to include STI drugs within this strategy. This would involve developing mechanisms to ensure the ongoing availability of STI drugs at identified sites.

(2) HIV/AIDS Treatment Supported

USAID supports NDOH accredited facilities to deliver high quality ARV treatment in accordance with the SAG's Comprehensive Plan. USAID specifically will support facilities providing VCT and pediatric and adult ARV treatment. USAID will also target women referred from NDOH accredited PMTCT programs. A number of USAID partners are also providing assistance and support to the Government's effort to expand access and quality of PMTCT services throughout the country. Among the key partners are the Elizabeth Glaser Pediatric

AIDS Foundation, the Quality Assurance Project, and the Perinatal HIV/AIDS unit at the University of Witwatersrand. Overall, USAID supported treatment programs will greatly increase the capacity of the SAG program to achieve its targets in a timely fashion. USAID will build the capacity of NGOs providing ARV treatment service to uninsured and underserved eligible people in both NGO and NDOH accredited facilities. USAID supports several approaches for ARV treatment, each of which has the flexibility to adapt to partner capabilities and local environments. Essential to these approaches are the principles of capacity development and sustainability.

(3) HIV/AIDS Care and Support Expanded

USAID will continue to support training of lay counselors and support group leaders who play a vital role in voluntary counseling and testing and PMTCT programs, not only for pre and post test counseling but also as mentors of community based support groups for those tested positive and their families. Community based home visiting and home based care, including palliative care, will be supported through NGOs with a mix of direct provision of funds and through larger "umbrella" grants that will make sub-grants to multiple smaller organizations. In addition, USAID will continue to assist the NDOH in its efforts to implement the guidelines and standards for home and community based care and provide technical consultants to the Care and Support unit of the Department. Hospice care will be expanded, particularly for those who cannot access hospice care through home based service, such as those indigent (homeless) people currently receiving USAID support. Furthermore, USAID will also work with SAG on information systems, including the sharing of data collected by USAID implementing partners and support for SAG management and patient information systems as requested.

(4) Selection criteria for new activities

Additional activities not yet finalized or identified above will be selected and agreed to as part of the criteria and procedures outlined below.

- Direct contribution to achievement of the strategic objective and intended results;
- Activities which fall within the technical approach and strategic areas described above;
- Activities which demonstrate sound health, organizational and management effectiveness;
- Activities that are consistent with and support the South African Government's health and HIV/AIDS priorities and needs;
- Activities which address health and HIV/AIDS needs of disadvantaged communities, "at risk" and vulnerable populations;
- Sustainability; and
- Cost effectiveness.

D. Strengthening Activities for Orphans and Vulnerable Children

Orphan and vulnerable children/household (OVC/OVH) community based services will be expanded through NGOs and linked to government services. Training planning and expansion will continue at national and provincial levels. USAID is working closely with the Department of

Social Development (DSD) in their efforts to provide essential support services to orphans and vulnerable children, including accessing Government grants, forging linkages and referral systems with local health and social service agencies and providing psycho-social and nutritional assistance. At the request of DSD, USAID is expanding the network of NGOs, Community based Organizations and Faith-Based Organizations to provide care and support services to OVCs and the households and communities that are supporting them. Special attention is given to service delivery in under-resources communities and to initiatives that have the capacity to scale-out to multiple communities.

VII. Roles and Responsibilities of the Parties

A. Management Approach

All activities undertaken pursuant to this Agreement for the achievement of the health and HIV/AIDS objective will be carried out by local and U.S. non-governmental organizations, public organizations, or other entities selected by USAID and financed through grants, contracts, cooperative agreements or Implementation Letters. USAID will provide the technical and administrative personnel required to finance and oversee the implementation of these activities. USAID will manage and monitor these activities in compliance with USAID regulations and procedures.

Historically, the health team has obligated all health and HIV/AIDS funds are obligated through either the health Grant Agreement or by direct obligation to USAID cooperating agencies that are providing services requested by the SAG. This will continue to be the case, even for HIV/AIDS funded received by the Agency through the Emergency Plan Program. Under the Emergency Plan, implementation of HIV/AIDS activities will be planned annually based on (1) country budget levels established by the Office of the U.S. Global AIDS Coordinator (O/GAC), (2) SAG priorities and needs, (3) consistency with USAID's approved Strategic Framework, and (4) approval by O/GAC of specific activities submitted through Country Operational Plans each September. Implementation of the PHC and TB components of USAID's health portfolio will also be guided by the decisions of the Strategic Coordinating Committee that is chaired by the NDOH and includes USAID and implementing partner representation. All USAID-supported health projects, regardless of funding source, will continue to be approved by the appropriate SAG authority prior to initiating any activities.

In implementing the Emergency Plan in South Africa, new partners have been solicited, reviewed and approved through a transparent competitive process involving representatives of USAID, the Embassy, the U.S. Centers for Disease Control and Prevention and the South African Government. To facilitate the management of USAID's expanding health and HIV/AIDS portfolio, the Mission will use an umbrella grants management and technical assistance agreement to handle a large number of HIV/AIDS partners. This umbrella grants program is intended to provide funding to organizations in support of USAID's health strategy and the National and Provincial Departments of Health priorities for primary health care, TB, STI and HIV/AIDS.

B. USAID

Overall management of the activities under this Agreement will be the responsibility of the USAID Health Strategic Objective Team under the guidance of the USAID Mission Director and the Chief of the Health and HIV/AIDS Office. The Health team will be responsible for achieving program results. The team will review, monitor and approve cooperative agreement, grants, contracts, and Implementation Letters. The Health team will monitor all relevant studies and analyses, technical assistance grantees and contractors, result achievement, commodity and material supplies, training and other program activities.

C. The Grantee

The National Treasury will be responsible for the Grantee's overall coordination, implementation and monitoring of the activities under this Agreement, including reviewing and authorizing amendments to the Agreement, and revision of program activities. The Department of Health and other Department's with whom USAID may work under the Emergency Plan (e.g., the Department of Social Development) will be responsible for participating as members of the USAID extended health team, which will provide ongoing planning, analysis, oversight and monitoring of program activities.

D. Implementing Partner

South African and American contractors as well as grantee technical assistance providers will implement the various projects to be funded under this Program. The development of the scopes of work and the selection of implementers on a competitive basis will be done with the full participation of the Grantee. The DOH and USAID will agree to a mechanism (for example, a Reference Group or a Program Implementation Group) that formalizes the full involvement of the relevant department and USAID in the implementation of each project.

Each implementer will provide detailed annual work plans as well as monitoring and evaluation plans, to be approved by USAID, that will describe all activities, their sequence and time frames, all targets and results, and the output indicators and performance indicators by which the results will be measured.

Each implementer will report quarterly to USAID on progress since the last report, problems solved or still outstanding and new problems encountered with proposed solutions, the plan for the next quarter, and current data for the performance indicators, analyzed as appropriate, as well as compelling individual-level success stories and lessons learned.

In addition to ongoing consultations between USAID, the implementing partners, and appropriate SAG officials at National, provincial and district level, there are several formal consultative mechanisms. First, USAID participates in the biweekly consultations between the USG and the NDOH to plan, authorize and review implementation of Emergency Plan activities in South Africa. The group is chaired by the NDOH and includes staff from the HIV/AIDS and Tuberculosis Cluster as well as from the International Health Liaison Office. Over the last year, the group also has included representatives from key South African Government Departments engaged in HIV/AIDS programming (the departments of Social Development, Correctional

Services, Education, Treasury, Defense and Foreign Affairs) who attend occasionally. Second, the NDOH authorized the establishment of a strategic coordinating committee (SCC) whose mandate is to provide stewardship on the work plans provided by projects, ensure consultation with provinces on district projects. The SCC oversight function will concentrate on strategic issues and not operational issues. The SCC will meet on a quarterly basis to receive progress reports and financial reports of each project. Significant lesson learned will be collated and shared with principals at provinces and national management level.

VIII. Monitoring, Evaluation and Audit

A. Monitoring

The Emergency Plan has a standardized set of performance indicators on which all missions receiving Emergency Plan funding must report. These indicators are generally accepted measures of HIV/AIDS prevention, treatment and support activities and impact and are consistent with the indicators used by UNAIDS. In addition to Emergency Plan indicators, the health team maintains a performance monitoring plan which includes indicators for non-HIV/AIDS activities and other indicators for HIV/AIDS activities which the team uses for management purposes. Implementing organizations receiving Health and HIV/AIDS funding will provide reports, at least on a semi-annual basis, on specific program accomplishments, output and outcome measurement.

B. Evaluation

One formal external evaluation will be scheduled for 2007. This evaluation will focus on the extent to which the activities achieved the intended results, the overall development impact of the activities financed under the Agreement, and what modifications to the activities or additional Objectives, if any, should be made for the following period. The external evaluation may be replaced by a system for ongoing internal evaluation or some combination thereof if agreed to by USAID and the Government of South Africa.

C. Audit

USAID and organizations receiving funds under this Agreement agree that a portion of the funding may be used for financial audits of the activities financed under the Agreement.

IX. Other Implementation Issues

Additional and future implementation details regarding activities under this Agreement will be made through the issuance of Implementation Letters. Typically these ILs will detail implementation aspects such as notification of individual activities to be financed by USAID through grants, contracts or cooperative agreements, the composition of management units, annual implementation plans, and the schedules and procedures for periodic reviews. An IL may be prepared by either USAID or the Grantee and will be submitted to the other party for concurrence.

**ILLUSTRATIVE FINANCIAL PLAN
INCREASED USE OF HIV/AIDS AND OTHER PRIMARY HEALTH CARE SERVICES**
SOAG 674-0329

NOTES

- 1) Subject to the availability of funds and the mutual agreement of the parties.
- 2) Regarding RSA commitments, the amount shown is the minimum counterpart contribution required. Please refer to Section 3.2 of the Strategic Objective Agreement. The DOH has contributed \$665,119,130, fully satisfying the counterpart contribution requirement as documented in Project Implementation Letter No 9 dated November 9, 2000.
- 3) This item will be programmed by USAID at its sole discretion.
- 4) The total USAID funding provided to-date in support of this program equals \$252,093,057. This includes \$139,629,249 through the Equity Project Grant Agreement; \$79,427,014 through Washington-based Field Support and \$33,036,794 through direct agreements.